

**Milton Town Council Meeting**  
**Milton Library**  
**121 Union Street**  
**Monday, March 4, 2013**  
**6:30 p.m.**

**Transcriptionist: Helene Rodgville**  
**[Minutes are not Verbatim]**

1. Public Participation

▲ James Welu: The fact of the Tidewater issue on the agenda tonight, presents an issue that I have had a real problem with this Town and with the way meetings are conducted is that we have no information on what is going to be discussed and it seems to me that a full agenda, with all the packet materials the Council Members get, ought to be in the library at the same time the Council Members get it, so that the public can review it and read it and have some knowledge about what they're talking about and I would suggest that in the next administration that this be seriously considered. I absolutely am opposed to the Town; I don't care what price; the property down the road sold for \$3 million; I think it's a little larger parcel, but this parcel is closer to the main part of downtown and is a much more significant piece, as far as the redevelopment of downtown Milton and I think it would be a big mistake for the Town to give it up. I do question... I have never had a chance to really review the contract we had with Tidewater, but it was my understanding that they were to stay on that land for a short term, until they built a new sewerage treatment plant, which to everybody's understanding was going to be out on Sam Lucas Road at the end of that 88 acre parcel. I don't know what controls we have in that contract. I haven't had a chance to review it. But if that contract does not reflect what the citizens thought was going to happen, I think we may have to bring an action against our former Counsel, for very bad advice on the way that contract was drawn and maybe Mr. Dickerson, who was the town administrator at the time, and involved in it, but I think that's a serious matter if that contract is seriously deficient. The third issue I'd like to address very quickly is a comment I made at the Public Hearing last week about sending water bills to the tenants, as well as to the landlord. I'm not sure what the objection was to doing that, but I think we seriously ought to consider at least sending out something to all of the tenants, all those that are registered tenants through the landlord's licensing process; at least of the material that goes into the water bill, because that is used to inform citizens of things going on; get a copy of the trash collection for the whole year; issues that are coming up before the Town; people have said let's use our water bill as a way to communicate other major issues with our citizens and if that only goes to the landlord, we have I don't know how many rental units, 500 rental units in the town, I believe.

Mayor Newlands: About 400 and change.

James Welu: Yeah, that's a sizable percentage of the population that isn't getting the information that we want to share with the citizens and if you don't want to send them a copy of the water bill, so they know how much water they're using, at least send to all of the rental properties the information that is going out to the property-owners about events in Town that you want them to know about. Thank you.

Mayor Newlands: Thank you.

- ▲ Georgia Dalzell, Chamber of Commerce: Good evening. I want to talk about a few events that are happening in Milton, this month. This coming weekend we have a parade and our first 5-K Run/Walk sponsored by Irish Eyes. Irish Eyes is a business member in the heart of Town, one of our most viable businesses and I hope that everyone will come out and support this even that they are putting on for all of us. The parade starts at 2:00 p.m., if the weather is beautiful, plan on running; you can come at 11:00 a.m. and sign up; the race starts at 12:00 p.m., but it's a great event. It's grown every year and it's a real positive thing for Milton, so become Irish for a day. It's a little early, but that's what we're doing. The date is the 10<sup>th</sup>, Sunday, the 10<sup>th</sup> at 2:00 p.m. is the Parade and it goes through downtown Milton. Tomorrow morning there's a Chamber of Commerce breakfast meeting, also at Irish Eyes and we invite any businesses who are not members, who would like to come out and find out about Chamber membership, it's an open meeting tomorrow and you are all welcome to come. We have a category called Retirees, that if any retired business people are interested, it's a category that is almost a volunteer job, but we'd love to have your input and we welcome you to attend our breakfast tomorrow at 8:00 a.m. at Irish Eyes. Support Irish Eyes. Thank you.
- ▲ Richard Miller, Gristmill Drive: Good evening Mayor and Council. The issue I wanted to talk about, in my three minutes, has to do with the Ethics Policies that exist in our Town and I'll be very brief but give you a summary of what I observed since 2008. At that time there was an LPD who had a member, a resident, who sat on the Planning and Zoning Committee and there was an issue that came before that group that affected that particular LPD and that member was allowed to vote, with no problem. The solicitor at that time was Mr. Brady. About a year and a half later, the Planning and Zoning had two additional LPD members from the same community and they were told they could not vote on a zoning issue before them, because of their residency in that LPD. As we fast forward, next month on this Council, we're going to have two councilperson's who reside in the same LPD and I'm concerned that when the votes come up, that they will be forced to recuse themselves. That concern goes as far as disenfranchising members of LPD's and it could happen to any large parcel development, whether it's Cannery Village, Wagamon's West Shores, Heritage Creek, Chestnut Properties; theoretically you could have a Council composed of all members of one LPD. So this is a harbinger of a potential problem and I've give you two examples of conflicting ethics determinations, based on the first two examples I gave. My request is that Council, on next month's agenda, formally discuss this recusal issue and the implication and I'm not looking to give the Solicitor billable hours, but I would like the Council to turn that over to the Solicitor, so that we can get still a third opinion on the recusal issue. Again, it's something that I think we're going to face in the future, especially since the activity of the Town is really starting to coalesce and the political and participation of our residents is just astounding and we should be thankful for it, but it shouldn't be a punishment, just because you live in an LPD. Thank you.  
Mayor Newlands: Thank you.
- ▲ Jeff Dailey, 211 Gristmill Drive: Thank you Council for allowing me to speak.

Thank you Mayor and Council, I would be remiss if not thanking, if I didn't thank Mayor Newlands for his service and also congratulate Mayor-Elect Marion Jones. On the agenda this evening, under New Business, letter d) Request to American Institute of Certified Public Accountants (AICPA) for review of prior town auditing practices. I am very disappointed to see this. I'm alarmed. I think that it smacks of the kind of witch-hunting that we have all too often seen in our Town, forever looking backwards at what was done in prior administrations, instead of learning what was done in prior administrations and moving forward in a positive way. I have here the Friday, February 15<sup>th</sup> Cape Gazette and after tens of thousands of dollars were spent, and I'm not here to say if they were spent wisely or foolishly, that's not my place, it did concern me that most of our dollars went to auditing firms, financial firms out-of-state; but I'm not here to question that and I'm not an accountant; however, the title of this article thankfully reads Town of Milton achieves "clean" audit and I think that's marvelous, that we've gotten to that point, and those who are responsible for that can raise that hand, turn it around, and pat themselves on the back, because they did a great job for Milton. However, in this article, it clearly states in her report to the Town Council, Michelik identified weaknesses in the Town's controls related to separation of duties. Mr. Lester said it is impossible to fix those issues, unless more staff were to be hired. Well, quite frankly, I think that's a very pat answer and good golly gosh, we have enough retirees, enough volunteer talent in this Town, that we could have certified an additional person who might have worked for our Town for free, to add to the oversight. So now, to come and look at something apparently auditing practices of perhaps six to ten years ago, I think this is shameful and I don't want to live in a Town like this. I really don't. I urge Mayor and Council to put this to bed once and for all. Thank you.

▲ John Barton, 322 Union Street: And I was prepared to speak tonight, until I came in and found out that the agenda really tells me nothing in terms of what is going to transpire with the request to the AICPA. I would appreciate with the first speaker that maybe, maybe the agenda could be a little more profound and available a little earlier, so that we might know what the heck's going on and what's to be expected. Thank you, Jeff. That's all I have. Thank you.

▲ Ed Kost, 230 Sundance Lane: I have a question for the Mayor and Mr. Thompson. We have in the past been trying to contact Chestnut Properties for a Progress Report. Seth Thompson: Progress Report – we received the response and basically the response was we're an LPD, we're not a sub-division; that's why a bond wasn't required. So... And we received the response last week.

Ed Kost: No idea what the Town's response will be.

Seth Thompson: I don't want to pre-judge it. Part of the problem is, that unlike the State government, there isn't a lot of legislative history, so it very well could be, that when the Town Code was set up to have LPD's, indeed that was supposed to take the place of the sub-division. That strikes me as a little bit odd. I think an LPD is a zoning issue, as opposed to a sub-division...

Ed Kost: I think when you look at the Ordinance that's true. I've written zoning ordinances and sub-division regulations. They serve two totally different purposes. So somehow using one in the other... I don't think there's any grounds for that.

Seth Thompson: And again, I want to make sure that I go through and check when the LPD Ordinance was adopted, to make sure that that's indeed accurate, but that's where we are on it. So that was their response.

Ed Kost: So the saga continues.

Seth Thompson: It does.

Ed Kost: Thank you.

▲ John Collier, 301 Coulter Street: This has already been brought up by several people, so I'll be very brief and I would like to just make a comment in regards to Item 14, d), entertaining Tidewater's offer. I would like to humbly request that the Council seriously consider removing this from tonight's agenda. We're sitting here at kind of an intersection point, I guess, for lack of a better description; you have a Council that's getting ready to change its face dramatically in a month's time and being part of that new face, I would like the opportunity to be a part of the decision as to whether we move forward with this or not and not have to bear the brunt of it, if I can't make my case heard from the front of the room. So that's all that I ask. Thank you for the opportunity.

▲ Ginny Weeks, 119 Clifton Street: First of all I'd like to thank the members of the Council that are stepping down for their work, especially Leah. I didn't always agree with you, but I appreciate you.

Vice Mayor Betts: Well thank you very much.

Ginny Weeks: I'd like to reference a couple of things on the agenda. One is that tonight you are going to perhaps vote on an Ordinance to amend Chapter 188, sub-division streets, completion of streets and sidewalks. I don't know... Has anyone in here seen a copy of what they're looking to make law? No. Because it's not available to us and I think that it is very detrimental to the people of this Town that that's not on the web. That when you have an Ordinance you're going to pass, there is no reason and I asked you this another time, Mr. Mayor, and you said well we've never done that. Just because it's never been done, doesn't mean that the people shouldn't know what you're voting on. Maybe they have an idea and they'd like to talk to a council person about it or speak at the Public Hearing. Maybe they know something about sub-division streets, more than the Council does and they have no idea what you're going to pass tonight and neither do I, because it's not been made available to us. I suppose if I did a Freedom of Information Act, I could go into Town Hall and Freedom of Information Act it.

Mayor Newlands: This is not the first time that this has been before Council; this is the second time it's been before Council.

Ginny Weeks: It doesn't matter. We don't have the language, no matter how many times you brought it before, the language of the Ordinance has never been made available to the people and I would request that in the new administration and henceforth, that not be the case. The other thing I wanted to talk about was Jeff, the audit. We needed an audit. We did and it was well done, I suppose. I don't know how much money was spent, but I would hope that from this point forward it's a dead issue now. That it just... From now on we do the yearly audit and I will say that if in year's past in the Jack Hudson or the John Bushey or the Don Post, the Council had been willing to spend the amount of money that was spent, this could have been

done previously; but the money wasn't being spent. Are the procedures written? I'm just curious. Did we ever get written procedures? Remember the \$40,000, we were going to get written procedures and sell them to the other towns; did we ever get those procedures written?

Councilman Lester: Yes, we did.

Ginny Weeks: Have we sold any?

Councilman Lester: No.

Ginny Weeks: Ah, good. The third thing is Tidewater. I would like to say that when the Tidewater contract happened, one of the reasons that Tidewater was chosen, was part of the deal was they were going to use that sewer plant on a temporary basis, tear it down, after they had built a new sewer plant out of town. These people have been disrespectful and dishonest with us from the get go. They have no intentions now of tearing it down. They want to expand it, they want to build a power plant and as far as I'm concerned, they shouldn't get one square inch of our land, not a square inch. Plus which, from what I gathered at the water presentation the other night, we need to revitalize Well No. 5, which is on the land they want to buy. You know? So we have a lot of thinking to do and I agree with John Collier, this should really be tabled. This is not the time to do this. Thank you.

▲ Barbara Ferguson, 107 Heritage Creek: Just two comments and relatively quickly on both of them. Tax assessment records – has anybody ever taken a look at the tax assessment records? You can't find anything on there. No wonder people complained about being taxed incorrectly. Go to Page 1, five pages later, there's the same house again. Seven pages later, there it is again. Tax assessment records should be accessible by doing this. Pay a 20-year old \$200 and let him make an Excel spreadsheet, so that you can find your house by your name, you can find your house by your address; you can't do that with the tax records. That's number one. Number two, when we went to the debate between the Mayor and Mayoral candidate, the Police Department really took a beating from some of the people that were there and my comment to you is this, I lived in Maryland for 30 years and I lived on a street where the speed limit was 25 miles an hour; do you know what people did coming down that street; 50. We lived on a curb. I had the telephone poll across the front of my house twice from people hitting it. We had automobile accidents. We had motorcycle accidents and you can't stop it. So if anybody's going to complain about the Police Department with “speed traps”, then let it make a revenue for the city and leave the Police Department alone with that and as far as the Police Department being nasty or mean or anything along those lines, I lived in Pickens, South Carolina for years; right outside of hog pens and if you want a nasty Police Department, go there. Leave the police here again. That's all I have to say.

▲ Mayor Newlands: Bob Burakiewicz? No? You're okay.

2. Call to Order – Mayor Newlands called the meeting to order at 6:58 p.m.
3. Moment of Silence – Vice Mayor Betts
4. Pledge of Allegiance to the Flag

Mayor Newlands: Please stay standing just for one minute. I don't think we're going to have a crowd like this again. I just want to give a round of applause to Leah Betts. She's been on Council for 25 years.

Vice Mayor Betts: I would like to thank our Mayor and Treasurer, also, for their service and I'd like to congratulate our new Mayor. I've enjoyed the 25 years I've spent. I really have. I know I'm going to miss it, but I know that you all are going to do good jobs for the betterment of the Town and I hope we do.

5. Roll Call – Mayor Newlands

Councilman Booros	Present
Vice Mayor Betts	Present
Councilman Lester	Present
Councilwoman Jones	Present
Councilwoman Patterson	Present
Mayor Newlands	Present
Councilman West	Absent

6. Additions or Corrections to the Agenda

Mayor Newlands: Any additions or corrections to the Agenda?

Seth Thompson: Mr. Mayor, there was a late addition for the Resolution to establish a date for the water referendum. We needed to do that on this agenda, so that the public has a longer period of time before they have the referendum, so that's why that was a late addition. That's on there in red for Council. I don't know if the public got that. We wanted to public to have as much...

Mayor Newlands: Actually I can see some of the Council doesn't have it either.

Win Abbott: Mr. Thompson, I just wanted to note that the printing of the packets that were distributed for the public was earlier then this revision, so they might not be looking at the correction one in their hand. Would you please specify the place on the agenda where this item may be considered.

Seth Thompson: Certainly, it's Item 14a, Resolution to Establish a Date for Water Referendum – Resolution #2013-06 and again the reason to do this in less then seven days' notice, is we need to give you as much notice as possible for the date of the referendum.

Mayor Newlands: Just to let the Council know, that's Item 14a, the sub-division application for Truitt Jefferson becomes b and c and d and so on down the line. I thought you'd have extra copies.

Councilman Booros: Okay.

Mayor Newlands: Any corrections?

Councilman Booros: While I'm here. I'm going to ask that the request to the American Institute of Certified Public Accountants for review of prior town auditing practices, per my conversation with Mr. Thompson earlier last week, be removed from the agenda because it was brought by a Council Member and there's a direct Conflict of Interest. If a future Council Member wants to put it on the agenda, let them put it on the agenda, but not tonight by the Council Member that brought it forth.

Seth Thompson: And I understand, having spoken with Councilman Lester subsequent to that, that he will be recusing himself on that issue. I don't know if somebody else from the Council wanted that on... The problem is, occasionally we run into is if somebody...

Councilman Booros: I have the email where Councilman Lester had last month put it on the

agenda late and we took it off, because it was late and it was his email, asking for it to be placed on the agenda. I know this is Councilman Lester's item on the agenda and I know there's a Conflict of Interest and I want it off tonight's agenda.

Seth Thompson: Understood.

Mayor Newlands: Can we do that at the time of...

Councilman Booros: Can we just make a motion and clear the room now, because I think you'll clear the room now. I make a motion that it be removed from the agenda.

Seth Thompson: Just to kind of finish the point, if somebody, you know my philosophy, any Council Member can put something on an agenda. The concern is that somebody else wouldn't, if they saw it on there, so that's why...

Councilman Booros: If somebody else wants to, let 'em put it on the agenda. That's the way I look at it.

Seth Thompson: And I completely agree so that's again why it was left on.

Councilman Booros: I've made a motion.

Vice Mayor Betts: I can't second it, because I have a conflict. I would if I could.

Councilwoman Patterson: I second.

Mayor Newlands: We have a motion and a second to remove Item 14d, Request for the American Institute of Certified Public Accountants. Any discussion?

Seth Thompson: It sounds like we have two recusals on it, just for the record.

Vice Mayor Betts: Yes, I have to recuse myself.

Mayor Newlands: Vice Mayor Betts and Councilman Lester recuse themselves.

Councilwoman Jones: I would support you in the removal, but I have no problem whatsoever in going forward and putting it to bed with a vote, either. So, you decide, what is best.

Mayor Newlands: I think we ought to have them.

Councilman Booros: I say we remove it and the Mayor and Town Manager can make their decision to put it back on the agenda in the future.

Seth Thompson: Any other discussion?

Councilwoman Jones: The only other discussion is Councilman, is to hear the topic allows us to know what information they want us to know and I wouldn't bring it up again.

Councilman Booros: I want it off the agenda, because the person that put it on the agenda has a Conflict of Interest. That's why I want it off of tonight's agenda.

Mayor Newlands: But he's going to...

Councilman Booros: Not that it can't come back next month.

Mayor Newlands: He's not going to discuss it though.

Councilman Booros: And he's not going to put it on tonight's agenda, either. There's a Conflict of Interest here Mr. Mayor.

Mayor Newlands: Just putting something on the agenda doesn't make it a conflict. I really don't understand that.

Councilman Booros: Yeah, well, I think...

Mayor Newlands: This is for the Town's benefit, not for him, at all.

Councilman Booros: I think we have a motion and a second.

Mayor Newlands: We do have a motion and a second, you're right.

Councilwoman Patterson: It's in the past and I just think that the Town would be best served by moving forward.

Mayor Newlands: Any further discussion. Let's do a roll call:

Councilman Booros

Yes

Vice Mayor Betts	Recuse
Councilwoman Jones	Yes
Councilwoman Patterson	Yes
Mayor Newlands	No

Mayor Newlands: The motion is carried. Do we have any other additions or corrections. I know we just did a particular item, but do we have anything else?

7. Agenda Approval

Mayor Newlands: Can we get approval of the agenda?

Councilman Booros: I make a motion that we approve the rest of the agenda, as amended.

Councilwoman Patterson: I second.

Mayor Newlands: We have a motion and a second to approve the rest of the agenda, as amended. All in favor say aye. Opposed. Motion is carried.

8. Presentation and Approval of Minutes: January 24, 2013 & February 4, 2013

Mayor Newlands: Does anyone have any issues with either of those sets of minutes?

Councilman Booros: I make a motion that Council approve the minutes of January 24, 2013 and February 4, 2013, as written.

Mayor Newlands: We have a motion to approve the minutes. Can we get a second?

Councilwoman Patterson: I second.

Mayor Newlands: We have a motion and a second to approve the minutes of January 24, 2013 and February 4, 2013. All in favor say aye. Opposed. Motion is carried.

9. Discussion on Written Committee Reports

Mayor Newlands: We have written reports. Mr. Abbott, we only get reports. Do we have the minutes of the Planning and Zoning meeting? Is that in lieu of a report?

Councilman Booros: I asked for those minutes, last month.

Mayor Newlands: Okay, I'm sorry. Is there anything in particular that you want to point out?

Councilman Booros: Yeah, there were two things that occurred in the meeting that I sat in that month, that I thought Council should be made aware of, that's why I wanted these minutes present and it was that neither engineer represented either of the people that stood before, that was Mr. Jefferson and the name of the other person slips my mind. Neither of them had copies of the questions from our Town Engineer, which everybody on the panel had and they had to field the answers to those questions, 18 questions, right there off the top of their head, without ever seeing them in advance. I think that a Committee in this Town needs to make sure that the people that are coming before the Committee, have a copy of the 18 questions that our Town – I guess he's our Engineer – has provided. You were in the meeting that night.

Seth Thompson: Right, you're talking about the memo, the review memo?

Councilman Booros: That needs to be fixed and I wanted to double check that I got it right, that's why I asked to see the minutes and it's in there. They did not have access to those questions in advance.

Seth Thompson: In the event that any Council Member isn't aware, typically the Town Engineer, when reviewing any application will go through and do a checklist and make additional comments and they'll do it in the form of a memo, so that's what the reference to the questions is.

Councilwoman Jones: I understand that, but I guess procedurally, for those who either handle



the meeting or handle the process, why that information wouldn't be put into the hands of the applicant's so that they could answer them, if they're on the agenda?

Seth Thompson: And I think, this isn't a legal issue, but I think procedurally that would probably make for a better discussion.

Councilwoman Jones: Okay.

Councilman Booros: Thank you.

10. Town Manager Report

Win Abbott: Yes, Mr. Mayor. The Town of Milton was recognized by the Center of Disease Control with a water fluoridation quality award on February 12<sup>th</sup>, just a couple of weeks ago. We're one of approximately 30 communities in the State of Delaware to be recognized with this award for regular fluoride levels, that are optimal for the prevention of tooth decay in the Town. I wanted to make a note of some of the training that our various department persons have been attending and the relatively low cost to do that with out idea in mind of bringing better service to the public. I also wanted to note that the Personnel Committee has been meeting quite regularly in the past few weeks and amendments to the Employee Handbook will be upcoming. Also, I had a meeting with a representative of the Department of Natural Resources, University of Delaware, our Public Works Department and the Milton Community Foundation. The Milton Community Foundation is in a position to take advantage of a grant available from DNREC to install a rain garden in the island, which is surrounded by the drive-in and the drive-out of the boat launch area, right behind the library where we sit. This particular area has a ponding effect. It doesn't drain water very well. The rain garden would help to drain that water, diminish the slippery nature of that in the winter season and also add a number of natural plants that will serve an educational function, as well. We have a representative of the Milton Community Foundation and also the University of Delaware probably, here somewhere, in case there are some technical questions. There he is, but nonetheless I wanted to emphasize that there may be some minor, ongoing maintenance obligations for this small area for the Town of Milton, but there will be no cost incurred for us to do this. It's something that I support and I hope that the Council would consent to us doing the same. It's not on the agenda as a decision for the Council to make, but if you have questions or concerns or whatever, I wanted to bring it up front and make sure everyone has an opportunity to have those answered. Are there any questions about it?

Mayor Newlands: The trees that are up, everything is staying there, in that area?

Win Abbott: That is correct.

Mayor Newlands: You're just adding to the garden?

Win Abbott: Yes. What will happen is, there will be some excavation and a base laid that allows for better water retention in that area, because when you lay this base with various size, irregular shaped gravel, it allows for more water to be held below the grade level, rather than ponding on the top, as well.

Mayor Newlands: Great, thank you.

Win Abbott: Thank you.

Mayor Newlands: Does Council have any questions about the rain gardens? Are they going to be similar plantings to the other gardens, do you know, because this is in the shade isn't it?

Win Abbott: They will be similar. They're natural and one of the reasons it's on the agenda now is to make sure that you're ready so that we can get all this done before the Horseshoe Crab Festival and there will be no obstruction for high use days in the park.

Mayor Newlands: Okay.

Councilman Booros: Does the Town own that triangle out back; the parking lot and the triangle?

Win Abbott: The Town does own that island and if you walk about back in the library, you will see where the pavement changes color. We have leased, for a very long period of time, the boat ramp access area and they repaved it last year, so the area which is a darker color pavement is the area that DNREC has leased from us and where it's lighter colored, and where we have the ponding issue right behind the library, it's a little bit lighter color asphalt and that's where the Town ends.

Councilman Booros: Thank you.

Mayor Newlands: And if I recall, it didn't start ponding until they paved, did it?

Win Abbott: It did pond before, but it got much worse.

Mayor Newlands: Okay.

11. Department Reports: Public Works, Project Coordinator, Code and Police

Mayor Newlands: Maintenance report, does anybody have any questions on the Maintenance report? No. Okay. Let's go onto the Code Report. I do have one question. I see we did an approval on a private well for a closed loop geothermal system? I know we put that in your charge awhile ago, a couple of months back. I just want to know, technically, why does a closed loop system need a well? Do we know offhand?

Robin Davis: It's just the way the system is set up, that they have to have a well for it, I guess to provide water of some sort.

Mayor Newlands: I would think a closed system you fill once and it would be done. Just a curiosity thing on my part.

Councilwoman Jones: Are you able to tell me anything about the pile in Cannery Village, the dirt pile that was collecting Christmas Trees and other things? Was that ever resolved?

Robin Davis: I know the Code Enforcement Officer went out there and looked at it. I think the majority of the trash and junk has been taken care of, out there. There was concern at one time, in the summer, that the weeds were high and that's been taken care of. I think all the items have been removed from that dirt pile out there, if I'm not mistaken.

Unknown Speaker: That's not true. The stuff's still there.

Robin Davis: Okay. I stand corrected and I don't know. I'm just trying to follow up from what I've heard, that I believe is true, that the stuff has been removed, but I can check with Mr. Trotta again, so he can get it taken care of.

Mayor Newlands: Okay, on the Code Report, is there anything else? Let's go on with the Police Report. Does anybody have any questions on the Police Report?

Vice Mayor Betts: I have one thing. I'd like to thank the police for checking lights and getting an update on the street lights. Thank you.

12. Finance Report and Revenue/Expenditures Report

Mayor Newlands: Let's just go onto the Town Manager Finance Report.

Win Abbott: Mr. Mayor, Council and the public. I've made an effort to do an analysis every month and to be consistent in that analysis, from month to month, however, there have been changes over time in the manner in which things are reported, but you'll note in particular, that we've reverted to a modified accrual basis of accounting, in which our revenues for property tax collections are anticipated. This will have the effect of making a year-to-year comparison from last year irrelevant, at least through the end of April. Right now, we're looking at the January period, the most recent one for which everything has been checked out and reported. The

description of the differences in both this and the manner in which we are recording our grant revenue, is working out in some detail on the reverse of that page, so that you have a better idea of exactly where we are. Nonetheless, in the end, for both our General Fund and Proprietary Fund you will find that there's more money in the bank this year, then there was last year and that we are trending. Last, but not least, the report last month was that we had exceeded or were soon to exceed our annual allowance, or budget, for legal fees. This was because of a posting error that was corrected. That posting error was where we had attributed accounting fees to the legal fees General Ledger area, so once again, things are very well on track for this year's budget.

Mayor Newlands: Mr. Abbott, on the grants, do you have the County grant for the Police as zero for last year?

Win Abbott: That's correct. That's how it was reported.

Mayor Newlands: We received it, but it wasn't...

Win Abbott: Correct. When you look at our statement of Revenue and Expenditures, that won't appear in the General Fund for last year. It does appear for this year.

Mayor Newlands: Fine. Alright. In the next paragraph, you're stating that the Franchise Fees are not expected to increase? They should increase with Chesapeake Gas, with Heritage Creek, shouldn't they?

Win Abbott: Well, they may slightly, we're seeing franchise fees from Comcast go down; this is because a lot of the options that people have available to them through other means, so nonetheless I'm not expecting a significant increase in franchise fees.

Mayor Newlands: Okay. Okay. Just to let the public know, our bank balances are up about a little over \$250,000 over this time last year. Councilman Lester?

Councilman Lester: Mr. Mayor, I'm just compelled to make a short statement. Actually, had I known that the integrity level of the majority of this Town was at such a low level, I wouldn't have run for office three years ago. I think, these people are laughing at us and they think there's some sort of vendetta. The Town was in really poor financial shape. It was obvious by the comments by Mr. Wagner, the subsequent accounting firm that came in and had to put all the accounting records back into order, and then the partial clear report and then a final clean report. I hear people in this audience and they talk about Town spending money. There was \$1,300,000 in a black hole called suspense account, that through prior administrations disappeared. It was so bad it couldn't be accounted for, so...

Ginny Weeks: Mr. Mayor, is he saying that \$1,300,000 left Town?

Mayor Newlands: No.

Ginny Weeks: That's what he's saying. It disappeared. That it just left.

Mayor Newlands: Excuse me. Please.

Ginny Weeks: This is just sour grapes.

Councilman Lester: This is not sour grapes. It's there. Excuse me, Mr. Mayor. It's not worth it. These people are not worth the effort.

Seth Thompson: Let's move on.

Mayor Newlands: Anything else on Finance?

Councilman Lester: No. Nothing.

Mayor Newlands: Okay.

13. Old Business – Discussion and possible vote on the following items:

a) Property Tax Appeal results

David Hickey, Blue Ridge Mass Appraisal, PTADelVall: Mr. Mayor and Town Council,

and we did the reassessment here and I was here to hear the appeals. The main appeal from last appeals night were the lots out at Heritage Creek. Prior to that night, all my experience in Heritage Creek had been stand alone single-family structures. The next day I was performing assessments on new construction and I found that, in fact, the units at 101 Arch, 103 Arch and 105 Arch were, in fact, townhouse units that were connected; which gave me pause, because I had not seen that type of structure in Heritage Creek. So, going back over the information that was related by some of the comments from Mr. Sands and some of the others, I went back and got a better copy of the Shape files from the County that I could see a more crisp representation of the actual lot sizes in Heritage Creek, then what's normally presented on the County's Web GIS Site. I found that evidently the way Heritage Creek was laid out, they were anticipating putting some townhouse units on the different corners and what have you. I went through and I said well I should make an allowance for the townhouse size lots, because they are markedly smaller than the other lots and since I was faced with assessments on those lots, I should adjust the lots that have townhouse size lots, from the \$120,000, down to \$100,000. So that's 101 Arch, 103 Arch, 105 Arch, 116 Arch, 114 Arch, 112 Arch, 113 Millpond and 115 Millpond. Now all those lots are vacant, except for the three that have the new townhouses on them and they're all owned by Fernmoor Homes. Then, in addition, there's a number of lots out in the part that's being developed now at 317 Arch, 319 Arch, 305 Falcon, 307 Falcon, 306 Tiller's Lane, 304 Tiller's Lane, 201 Arch, 203 Arch, 207 Arch, 209 Arch, 211 Arch, 213 Arch, 217 Arch, 219 Arch, 301 Arch, 303 Arch and 305 Arch. Those are all lots that are in the portion of Heritage Creek that's being developed now that appeared that they're the size of the townhouse lots. We had those lots valued at \$120,000, as an undeveloped lot, with a 50% adjustment, down to \$60,000, so we would have to make the same adjustment on those from \$120,000 down to \$100,000, less the 50% to \$50,000. Until such time as they actually get the infrastructure in there, to where they're actually developing those lots, and as fast as they're building houses in there, then we'll be faced with having to raise the assessment on those lots back up. By the same token, Mr. Greenhaugh came in and was talking about his townhouse unit up on the Preserve on the Broadkill up on Ridge Road, so I was looking at the lots in that center center of Preserve on the Broadkill, and they're also faced with the same issue. They're much smaller lots, which are clearly represented by the GIS vs. the larger lots around the outside. Now 207 Ridge Road sold for \$500,000 back in June of 2007 and Mr. Greenhaugh's property sold for \$394,000 in October of 2008. We had arrived at value on those properties right at \$401,000. In addition, 201 Ridge is Caramentos and the lot at 203 Ridge is Verase. Those lots, I felt like if I was going to lower the townhouse size lots out at Heritage Creek, I needed to make a similar type adjustment of minus \$20,000 to the lots up here Preserve on the Broadkill that were townhouses. In addition to the four that had developed, there's also three lots back on the back side of Chandler Street, that are owned by Park Central, LLC that are not currently developed, but they too, also, need to be adjusted down, because they're the size of townhouse lots. The other recommendations I had were...

Mayor Newlands: Mr. Hickey, that's fine on those. We want to go through each of your recommendations one by one, so we can vote on them all one by one, alright?

David Hickey: Okay.

Mayor Newlands: And the townhouses are fine. We'll just have to note when we vote, because some of those townhouse units are mixed in with your recommendations here,

so we just have to note to exclude the townhouses from any voting that we do.

David Hickey: All the rest of them, I found no justification for making any change to.

Mayor Newlands: Okay, on the first appeal that we have... Did you want to say something?

Councilwoman Jones: I just wanted to ask a quick question. Didn't you just review David Greenhaugh at 205 Ridge Road saying that he's on a smaller parcel and would recommend a change?

David Hickey: Yes, there's four townhouse lots right on Ridge Road, 201, 203, 205 and 207.

Councilwoman Jones: And the reason I ask you that is because the only material I've had to study says no change under Mr. Greenhaugh and I have to tell you, it's just a lot of information to take in, to hear in an audible sense, and not being able to read what the new recommendation is. So I'm having a little difficulty right now.

Mayor Newlands: Yes, this was last month's package that we go.

Councilwoman Jones: I understand.

Mayor Newlands: And...

Councilwoman Jones: But I don't have the new recommendations.

Mayor Newlands: I don't have it either.

David Hickey: I apologize, from the discussions, Mr. Greenhaugh at the meeting last month that he brought this information to my attention and I made this document here prior to the people actually making their comments to me. So I was trying to take their comments into consideration, which made me modify my understanding of the situations.

Councilwoman Jones: Sure.

Mayor Newlands: So the only changes that we would see from the package that we have is Mr. Greenhaugh would be that Mr. Hickey's recommending a change to his to lower it by \$20,000 and that sporadically throughout I think it's Appeal No. 1, there are some townhouses here on Arch Street that he's recommending that he's lowering them also, but everything else should stand, as is.

Seth Thompson: Mr. Hickey, is that correct?

David Hickey: Yes. Some of those lots, like Fernmoor weren't even on this list that they submitted originally, so I was just saying that because I was trying to keep things equitable, if I make a change to one, I've got to make the change to the similar ones, so that's why I went through and looked at the sizes of the lots on the GIS so I could get a better picture and if I was going to make a change on one, I've got to make a change on all of them.

Councilwoman Jones: I'm not ashamed to say, I'm a visual person and would like to read these updated recommendations before I make these decisions and I don't know if we are bound and I apologize to any of the homeowner's in these areas, but I would like to read the updated information before I made a decision on any of this. Are we bound that this is the meeting where these appeals must be decided on?

Seth Thompson: Let me double-check the charter.

Mayor Newlands: The only two things he's changing is the townhouse size lots and Mr. Greenhaugh's. Everything else, he's staying with the same opinion.

Councilwoman Patterson: But what about Fernmoor, for Appeal No. 2, with all the homes he listed for Fernmoor and we have no listing there?

David Hickey: I'll be happy to make a more compiled list of these things, if that's what

you need.

Seth Thompson: The Charter only speaks to their opportunity to have the hearing. It doesn't then say you need to immediately vote on that decision. The longer it goes, that could be a problem.

Councilman Booros: Could I ask you a question, Sir?

David Hickey: Yes, Sir.

Councilman Booros: On the townhouses and you may not know the answer to this off the top of your head, how does a townhouse lot in Heritage Creek or up here on Ridge Road, on the top of the hill, the townhouse size lot, and the \$100,000 you're talking about seems like a smaller lot, so it's not \$120,000; how does that compare to a townhouse lot in Cannery Village, or a townhouse lot in Shipbuilder's Village?

David Hickey: Well, I generally have... Obviously, there's a locational issue, quality issue of the location...

Councilman Booros: In Cannery Village vs. Shipbuilder's Village?

David Hickey: In Cannery Village, I made a statistical analysis of those townhouse lots compared to the single family structures in there and they're so crammed in there together, that I found no statistical difference between the value of what these properties were selling for as single-family vs. the townhouse; so we decided at the time that there wasn't a reason to justify differentiating the values.

Councilman Booros: So are they at \$100,000 also?

David Hickey: No, they're at \$80,000.

Councilman Booros: Okay.

Mayor Newlands: Mr. Hickey, Appeal No. 2, the Fernmoor Homes...

David Hickey: The 73 acre tract?

Mayor Newlands: Yes. Is that...

David Hickey: There is no change there, because that tract... the only property that I had to justify that was a 70 some acre tract that sold in Ocean View for \$8 million and that worked out to like \$112,000 an acre. I only have this property assessed for \$75,000 an acre, which is the same as another property here in town, a 63 acre tract that's on Union Street Extended, that's owned by Jane and White Farms, so I felt like that assessment was fine the way it was.

Mayor Newlands: Actually, the townhouse lots are not even part of this package, are they?

David Hickey: Some of those town home lots are not, no.

Mayor Newlands: Okay. So all the other recommendations you're saying you're going to stay with?

David Hickey: Yes, Sir. Mr. Lank's property on Coulter Street, that was just an error that had to be corrected. The two houses, no problems. The sales analysis I did on Mr. Mastromarino's property on Valley Road, that assessment was found to be in line. This is Appeal No. 7, Laura O'Dell and Keith Row on Village Center Boulevard, there was some minor adjustment in size on both those properties, so I recommended making a little adjustment on those. Jerry Kaiser on Arch Street, it was in line with all the others, so no change on that. And Mr. Greenhaugh, I did not realize when I had his initial appeal information, that he had the townhouse situation. It wasn't until I spoke to him after this last meeting on Ridge Road that I realized – so that's why I decided he needed to have a change. Then Ferguson's house on 107 Heritage Boulevard – the question I had on that one was, about the quality of the finished basement and it was answered by Mrs.

Ferguson at the last meeting to the point where I went back and checked the assessment on her finished basement is exactly the same as every one in Heritage Creek, so there's no change recommended there. Again, I'll be happy to give you a complete listing of all these lots and townhouses in Heritage Creek that I feel need to be adjusted.

Tom Marsden, 107 Arch Street, Heritage Creek: Mr. Mayor, excuse me. I know this is out of order, but I would like clarification because I do not hear, maybe I missed something in regards to the appeal that the Heritage Creek resident's made last month. I have not heard you address that, except in sort of a side light that possibly everything is going to remain the same. I would certainly appreciate if that was addressed directly, rather than going to all these other properties, which we're not involved with.

Mayor Newlands: Sir, that is Appeal No. 1 and we will address that. Does Council feel they have sufficient information to make decisions? I'll start with that vs. going through each individual one.

Councilwoman Jones: I'm not an assessor, but we're looking at empty lots in Fernmoor Homes at Heritage Creek being compared the undeveloped land considered Doc White's property on Atlantic.

David Hickey: Right.

Councilwoman Jones: Well this already has infrastructure and understanding a little bit more about the tools that you use to assess is often very helpful to me. That piece of property down there has no infrastructure, no roadways, no pending roadways, no sidewalks and I guess I'm just trying to understand, this is going to be engulfed into this community and so there are already streets and sidewalks and when you make that assessment, surely that community of Heritage Creek becomes potentially more valuable than an empty parcel down here.

Mayor Newlands: This is a vacant piece of Heritage Creek, it's a future phase.

Councilwoman Jones: I understand that and yet you have one... It's being compared to one here that has nothing, no amenities.

Mayor Newlands: But this phase has nothing either. This phase has nothing either. It's a tract of land.

Councilwoman Jones: This phase has nothing, but this phase has the promise of simply by virtue of what's already been built there.

Mayor Newlands: But it's the way this particular plot is looked at. It's looked at as undeveloped land, because of what it is. It's back in the development as undeveloped land and it will get reassessed and reappraised when the improvements come in, the same as Phase 2B. When the improvements go in, it gets reassessed.

Councilwoman Jones: In looking at amenities, such as the value of the home, what the home brings, I guess my problem is I have a hard time with dirt having such a separated value, depending on what part of town your dirt is in.

Mayor Newlands: What he's saying, is it is \$75,000 per acre for both of them, for Doc White's \_\_\_\_\_.

Councilwoman Jones: I'm not just comparing those two, I'm talking about terra firma, dirt. I can put four homes from Heritage Creek on my property and the land is valued nowhere near two-tenths of an acre in Heritage Creek. Just because I'm not an assessor you'll have to understand, I find that just difficult to wrap my head around, so I do have a hard time with the tax appeals.

Mayor Newlands: Right, but you have above-ground wiring, you don't have sidewalks, they have different improvements out there, so they're going to have a higher

assessment.

David Hickey: This property that sold in Ocean View for \$8 million is the same exact situation. There was no infrastructure there, it was just purchased for raw, future development, which is the same case here and it's over \$112,000 an acre. So I feel like a \$75,000 an acre assessment for potential future development, once that site's developed, you'll be looking at, if you're putting 4 to 5 lots per acre, then each one of those lots is going to be worth \$120,000.

Councilman Booros: Is that ten years from now when you reassess it?

David Hickey: We all recognize that the assessment was done at the very tip top and property value has fallen dramatically since then, that's why I said in the further recommendation, the only way to solve this issue from becoming a perennial issue, is to revalue the entire town. That's the only way to do it fairly. You can't just isolate one area of the town and lower it, without making a similar adjustment to other areas. That's the part I'm struggling with... We struggled with that in Ocean View, in Seaford, all the localities, that's why Ocean View did another reassessment, because they said we're tired of listening to the landowner's coming in every year saying I paid a lot less for this, then what you said on the assessment. That's a decision you would have to make in the future. I've made a fair offer. I think it would be well deserved to do another reassessment in the Town, but that's the only way to do it fairly, so that all the citizens are treated equally.

Councilman Booros: I understand that. My actual question was, the vacant lots in the back of Heritage Creek, \$50,000, they don't have anything on them. Once the improvements are made...

David Hickey: Once the streets and the infrastructure's in...

Councilman Booros: And they put a house in, does that assessment automatically go up, or does it stay at \$50,000 until the next time we pay to have an assessment done.

David Hickey: No. As soon as those streets are in and the infrastructure is in, I'm going to raise the assessment on them. I did that in Ocean View.

Councilman Booros: So we don't pay you once every ten years to come in and do the assessment, you do this on an ongoing basis over the ten year period?

David Hickey: Yes, Sir.

Councilman Booros: Okay. I'm sorry.

Unidentified Speaker: Why can't you do the rest of the town on an ongoing basis?

David Hickey: You can't...

Mayor Newlands: Excuse me.

Councilwoman Jones: And I have a question. When you make the assessments based on sales of surrounding areas, are you also locked into using the sales figures back in the time of the assessment?

David Hickey: The date of evaluation was in 2009, so that's my point of reference for doing this assessment. I can't take today's sales and say this is what that property's worth. When I pick up new construction, I have to do it based on what was done at the time of the reassessment; that's why that sale in Ocean View is relevant, because it happened all at the same time that this reassessment was going on.

Mayor Newlands: If you did a reassessment it would be basically a feel good thing, to just get new assessed values based on more current market values.

David Hickey: That would be the net result. You would end up with a lower property value, but an increased tax rate. So the out-of-pocket expense would probably be pretty much the same.



Mayor Newlands: Right. So I'll ask Council again, do we feel we have enough information to go on and approve these? Why don't we do this. Why don't we go through each appeal one by one and get Mr. Hickey's impression and we can go back over them again and see if we can vote on them? Mr. Hickey, do you want to take Appeal No. 1 and explain the issues? And Appeal No. 1 for everybody's knowledge is the 30 or some homes that came in in one group by Mr. Sands.

Councilwoman Jones: Actually, could I ask you to repeat, as I tried to check off some of the ones that you were excluding from Appeal No. 1, that you had decided were the smaller townhouse lots; would you repeat those numbers, so that I may mark those on this list?

David Hickey: Okay. I didn't check them off like I did on here. Not all of them were in the Appeal.

Mayor Newlands: You've got some of them in Phase 1 and some in Phase 2.

David Hickey: Hang on. Let me get my stuff organized, just a second.

Mayor Newlands: Okay.

Councilman Booros: Mr. Mayor, can I ask you a question?

Mayor Newlands: Sure.

Councilman Booros: Procedurally, voting-wise, let's say the first one comes up and I agree with the homeowner that it's too high. How do you vote on that? What is the procedure, for what? Do I look at the man over there and say I want to cut it in half? What are we voting on? What's the... It's either great the way he says it is, or it stays the way it is, which is the way it is. What is the alternative?

Seth Thompson: The important thing is that there's some basis for the number that the Council selects.

Councilman Booros: Oh, we select the number?

Seth Thompson: Well, and when I say select the number, meaning whatever you approve...

Councilman Booros: He says \$120,000.

Seth Thompson: Right. Only I think he's saying some...

Councilman Booros: I'm not an appraiser. I think it's high, when hers is at \$80,000 and it's 3 times, 4 times the size of theirs.

Seth Thompson: Right. Again the importance is to have... You're supposed to be able to look at the record and know from the face of the record, why that number was approved, do you know what I mean?

Councilman Booros: I understand. I understand what he has said and how he arrived at the number, but if I disagree with that number, what are we actually voting on? I've got to convince everybody at this table that it should be \$60,000, instead of \$110,000?

Mayor Newlands: Pretty much. Unfortunately, yes. But the problem is we're not assessors, so that's a big issue.

Councilman Booros: Yeah, interesting.

Seth Thompson: Well if you equate it to a jury, it's kind of like whether you believe the Defense's expert or the Prosecutor's expert; that sort of thing.

Councilman Booros: Okay, so let's say we have an agreement that we don't agree with the man. Now what?

Mayor Newlands: We could send it back for more information and have him review it again, as opposed to us picking a number...

Councilwoman Jones: That what I think he was already asked to do.

Mayor Newlands: As opposed to us picking a number.

Vice Mayor Betts: I'll make a motion, that we send this back and get more information.

Seth Thompson: The one thing, I want to be clear too, the way your Charter is written, technically interest on unpaid property taxes starts to accrue after March 31<sup>st</sup>. Now you guys have control over that, so I take it...

Councilman Booros: We've given forgiveness before.

Mayor Newlands: We suspend all of that. They all get suspended.

Seth Thompson: Okay.

Neil Sands: I would just like to make one simple comment here.

Mayor Newlands: Very quick, Sir.

Neil Sands: Alright and I also put this in a letter, which I sent to all the Council Members, Mr. Abbott; we're doing a simple comparison. This is based on the nature... The issue here is the land value, alright and we're comparing it to just... If you just compare it to lots of the same size, in Cannery Village, with similar homes, similar infrastructure, similar property features, one is \$80,000 and if you look at every home in there... single family homes nothing to do with townhomes, that wasn't part of the appeal and you compare it to single family home lots, same size; maybe it's .11 acre vs. .12 acres, we're at \$120,000. That's 50% more. Okay? That sends the wrong message out to people looking to come into this town. Why? There's no... We can look at sales and all the traditional tools here, but the end result is what you're paying there, so are we being hijacked? That's my question? Thank you.

David Hickey: Mr. Sands, I respect you looked at this stuff, but I went through and looked at all the lots in this town that were less than an acre; between 0 and an acre and they're evenly distributed throughout price-wise, so the medium size from 0 to \$40,000 is .12; from \$40,000 to \$50,000 is .1; from \$50,000 to \$80,000 is .126; from \$80,000 to \$90,000 is .27; from \$90,000 to \$120,000 is .25; \$120,000 to \$150,000 is .22; and greater than \$150,000, there's only 61 lots and there's half an acre.

Neil Sands: And Mr. Hickey, with all due respect, lot sizes in Heritage Creek are between .12 and .16 acres.

David Hickey: That's what I'm trying to tell you, Mr. Sands. You've got a lot on Chandler, .22, that sold for \$143,000; you have one .25 on Valley sold for \$135,000; you've got two on Sundance that were .11 that sold for \$95,000; another one .14 on Sundance sold for \$95,750. I mean the smaller ones sold for more than the larger one. Here's a lot, 113 Arch Street, .14 acres, was reported a sale in November of 2008 for \$125,000.

Mayor Newlands: Mr. Hickey, you've got way too many numbers. We have a motion from Vice Mayor Betts to send this back to the assessor for more information. I think we just need a better presentation of this so that people can understand this. This chart that you have on the back here, as well, and I think that's what you're going through, right?

David Hickey: Yes, Sir.

Mayor Newlands: Still, without you going through it with us, it's a little bit complicated for us to read without some guidance, so we have a motion to send this back for more information.

Councilman Booros: I'll second that motion.

Mayor Newlands: We have a motion and a second to end the tax appeals back to the assessor for more information. Any further discussion? Roll call:

Councilman Booros	Yes
Vice Mayor Betts	Yes
Councilman Lester	Yes
Councilwoman Jones	Yes
Councilwoman Patterson	Yes
Mayor Newlands	Yes

Mayor Newlands: And Mr. Davis is actually recommending that we have a separate meeting on this the next time.

b) 3% wage increases – re FY 2013 Budget

Mayor Newlands: The Personnel Committee sat and had a discussion a couple of weeks ago about salary increases. One of the things that we were supposed to do is to determine if there was anybody who had a sub-par review and I just want to caution anybody on Council, in the discussion, we can not talk about individual employees in public. This has to be a general discussion.

Councilman Booros: I don't know why it's on here, but I'm just going to voice my one opinion, was the reason I had said a merit pot to begin with, because I believe there are employees of this town that deserve a heck of a lot more than 3% and there probably are some employees, unnamed in this town, that probably don't deserve an extra dime; but there are some outstanding employees of this town, that I would like to have seen get more than 3% and that's not going to happen, based on what occurred here. That's all I have to say about the whole... And I'm disappointed that this did occur and I still don't know why this occurred, but... That's it.

Councilwoman Jones: I actually asked that this be put back on the agenda. I wish I did understand the dynamics about how this occurred, but what concerned me was that the action that was taken, went against the vote of Council and I believe the issue needed to come back in order for Council to make a definitive decision to either go forward with the raises as they were erroneously given out, and make that approval; or make a recommendation on what else they wanted; whether that was to overturn them, retract them, whatever the action. But I did feel that it took decisive action and a final vote by Council to right what I think was the wrong. Most of all, I brought it up in hopes of understanding the dynamics of how it happened, but more importantly, to give Council the opportunity to take more action on it.

Mayor Newlands: Councilman Booros while there may be some employees that are more deserving, than others, to get increases; what's reflected in their appraisals was that nobody was, let's say, sub-par to get a lessor amount, so the Personnel Committee went over the employee's reviews in general, we did not look at them all individually. They were there for us to do that and the Committee decided not to do that. So I agree with Councilwoman Jones that we should at least solidify this and get a vote to say leave it as is, do something with it.

Councilwoman Jones: One last comment, on the issue, is that it was very clearly asked whether or not the department heads that failed to comply with the performance standard review on an annual basis, whether or not there was a comment on their evaluations that they had failed and I was told no, so that is disappointing, but I have no intentions of retracting wages that have already been given out by mistake, or not. I would find that rather cold-hearted, but I am prepared to make a motion that this Council, contrary to the

vote that was taken in September on the distribution of raises, accept what has been given out.

Councilwoman Patterson: I second.

Mayor Newlands: We have a motion and a second to leave the 3% increase in place for the employees. All in favor say aye. Opposed. Motion is carried.

c) Water System Improvements monthly update

Win Abbott: Mr. Mayor and Council, public, I believe that you have a report in your packet regarding water system updates. There are two parts of us having a better accounting of the water that has been pumped. The first part is to have new and better check valves in place, to stop the back flow of water into the wells and the multiple times of pumping those. This occurred on or about January 15<sup>th</sup>. The second part is to get more accurate metering at the place where the pumps are done. This is being done during this current week. So the results of that affect are not yet well known. Other things regarding the increased metering at the point of consumption has shown that we have picked up a little more than 1,000,000 gallons worth of water in terms of the accuracy of the pumping and we continue to move forward until we get to 100%. I believe there are 17 meters left in town that we have to put in, but basically, that's what I have for you.

Mayor Newlands: The meters on the wells, they are going in or they're in?

Dustan Russum: They're going to be going in this week.

Mayor Newlands: This week, great. And the seventeen that we have left, they're just regular resident's?

Dustan Russum: Yes.

Mayor Newlands: Okay. Any questions from Council?

d) Shipbuilder Village project updates

Mayor Newlands: Do we have any further information on the clubhouse?

Councilman Booros: The only thing I have on the clubhouse, Councilman West is not here, he said that he had some things on the clubhouse, but he's not here, was I understand and I got some information back that there were a lot of things done earlier. It might have been prior to your taking office. With the late Milton Carrow and Patsy Sikela and the Milton Community Foundation and I guess, Sen. Booth, when he was in office; there was a lot of leg work done on building the community center here for the youth and the different programs and all kinds of stuff and I don't know if it just died, or what happened to it, but apparently there was a need and it was determined by the Senator and the Council and everybody's brother and sister, that there was a need, so somewhere along the line this project died. I think they were originally talking about having it down when the maintenance yard moved out of the maintenance yard and doing it down in the maintenance building. It's something that is still a viable option, if somebody in the community wants to take it on, or if the Milton Community Foundation wants to continue with it. I don't know if the Town, necessarily, has to be the one to buy the building...

Mayor Newlands: I only went to one meeting with Patsy and Milton Carrow and he was looking for property to do this whole project; not from Town.

Vice Mayor Betts: I think it was over by \_\_\_\_\_.

Mayor Newlands: I don't remember what town.

Councilman Booros: Well the original one was to take the town maintenance yard, when the town maintenance yard moved up on the hill and they were going to take it right here in town, because it was right next to the police station and part of it was going to be interacting with the police and safety and all that stuff.

Vice Mayor Betts: Something out there went fluid.

Councilman Booros: Apparently. Somewhere along the line it bit the dust.

Vice Mayor Betts: Yes, because it wasn't...

Councilman Booros: I haven't heard back from the nice lady who said that her program might be interested in renting the building, if we bought it. Bernice Edwards. The only thing I can tell you about it right at this particular moment is before we try to initiate something to give the three lots on the front of that street; to ask the bank to give the land to Habitat for Humanity, the three building lots; that we consider a dog park; that we consider a playground for that side of town; that we consider a lot of things before we start brokering land and ask them to give land to Habitat. If they want to give land away, let them give it to the Town of Milton, for our children. That's all I can say at this point. I don't think, in our financial situation right now, I don't think it would be a wise move to spend whatever we would have to spend, but I still have never seen figures on what it actually is going to cost. I've seen a bunch of quotes; one was as cheap as \$60,000 to fix it and one was a couple of hundred thousand dollars to fix it.

Mayor Newlands: That's all we've ever gotten.

Councilman Booros: That's all we've ever gotten and quite honestly, I don't know if the bank was going to start at a certain dollar amount and negotiate downwards, if we could have gotten the whole mess done, completed and fixed up for \$200,000, it might be worth it; it might not be worth it. I think it's something that the citizens need to, maybe in a workshop, decide whether or not they want it, or they want three more houses for Habitat; maybe the Milton Community Foundation would be interested in it; maybe somebody else might be interested in it, besides the Town of Milton. But I don't think we ought to chuck it over to Habitat and ask them to give the land to Habitat. That's it.

Mayor Newlands: Do we have any idea what Bernice Edwards' organization would pay in rent, if they were to rent the building?

Councilman Booros: What she said is they deal with the School Board and the afternoon mentoring programs are sponsored and paid for by the Cape Henlopen School Board or the Indian River School Board and the indication was that this was one of the few towns that did not have that program for mentoring students after school, that possibly the School Board would rent the facility. Like I said, the only other thing I know, and you probably know more about this because I haven't been told, is that they're going to redo some of the schools and they were talking about knocking the back end of the Milton Elementary School off to expand it and moving those kids out for a year. Well there's some kids from H. O. Brittingham that go to Milton Elementary School Boys and Girls Clubs in the back room after school. If that doesn't exist for them anymore, maybe the Cape Henlopen School Board might be interested in doing something over there with the Boys and Girls Club.

Mayor Newlands: We were told that the schools wouldn't get rebuilt for five years; that's out five years.

Councilman Booros: They weren't going to start for five years?

Mayor Newlands: Correct.

Councilman Booros: Okay. I didn't know that.

Mayor Newlands: By the time it takes them to go through all their processes, it's a five year deal.

Councilman Booros: Then they probably don't care.

e) Cannery Village signage issue monthly update

Win Abbott: All that I have to add, Sir, is that I received a packet from Mr. Weston last week and I'll be moving forward with a request for quotations on the signage that was specified by the package that they did.

Mayor Newlands: Okay. Can we include DelDOT in that request?

Win Abbott: Absolutely.

Mayor Newlands: Okay, thanks. The reason I say DelDOT is because we get favorable prices from them sometimes and sometimes not.

f) Scope and Study Objectives for IACP consulting services

Mayor Newlands: This was recommended by Councilman Lester to contract with this organization to possibly look at our Police Department and make some recommendations. What Mr. Abbott did was he went out and took the list of objectives that the IACP uses and asked us to see what items on their list we would like to have them evaluate for us.

Win Abbott: By way of clarification, what the Council sees before you here, is just a graphical representation of that which was given to you in narrative form, the passed two months in a row. There was a list of study objectives within their explanation of their services. I just had our accounting clerk lay it out in a table format so you could rate what it was that interested you the most, the least, and use that as a starting point. As I indicated in my memo to the Council, I had reached out to both the consultant and International Association of Chiefs of Police. They're not inclined to come here for a workshop that is at no charge and if we want to help ourselves to move towards better defining our objective, this is a start.

Mayor Newlands: Okay, thank you.

Councilwoman Jones: I appreciate this being put in a form that the Council can comment on it, but I think, me personally, I believe we've missed the mark in not making this some kind of a workshop that the public is able to participate in, since so many comments in reference to the police have been brought to the Council's attention by the citizens. So, again, I say, I appreciate this, but I do not see where this is a tool to render the information from the public that has been requested by the public and requested by myself. Do you just want us to fill this out and return it to you and can we expect something more for the public's comment at a later date.

Win Abbott: As I said in my memo, that's a rough draft. It's a start. Council may provide me with direction. You want to pick a date? If we have a workshop, what would be the structure? Give me some direction and I'll act upon it.

Mayor Newlands: This is from the International Association of Chiefs of Police's website. This is what they normally do.

Councilwoman Jones: I understand. This is very similar to the paperwork that was presented to us in the package and it's laid out in such a way that we can now score it's importance, but this is still very bureaucratically written and it covers broad bases of topics, as opposed to some of the specifics that we have listened to. I'm not sure that these capture everything that we have heard.

Mayor Newlands: Can you get a list of the things that you've heard and send that to Council and Mr. Abbott, so we can compile it together?

Councilwoman Jones: No. I don't think I can, other than reviewing a lot of the public participation minutes. Again, I think the opportunity is to present it in an open forum for the public to speak and I don't know whether that is between Mr. Abbott and Mr. Thompson; if that is something that we have to fit into a box that says a workshop, specifically for this. I'd like to think that if presented in such a way, the public may be able to understand from the agenda, that it is their opportunity to discuss and contribute comments to this project.

Seth Thompson: It could simply be labeled as a regular Town Council Meeting where public participation is going to be limited to the purpose of that meeting. That's how we could notice it.

Councilwoman Jones: Or as a Town Council Meeting where, not necessarily limited to just this comment, but this is part and parcel of what we're looking for during public participation. But I would hate to limit it to a particular... Unless you're talking about a meeting, which covers one topic.

Mayor Newlands: We could do a meeting that covers two topics, the tax appeal and this. They're both going to be lengthy, so that way you'll have two subjects on the list, a good audience here and a decent amount of time to discuss it.

Councilwoman Jones: I wouldn't be opposed to that.

Win Abbott: May I suggest Thursday, March 14<sup>th</sup>? It is not the third Thursday; on the third Thursday of the month, I will not be here.

Mayor Newlands: Okay. It all depends on Mr. Hickey getting his information back to us, it's only ten days.

Win Abbott: You know, it seems like Mr. Hickey had his information; it just wasn't well organized. I can prevail upon him to get that done faster.

Mayor Newlands: The 14<sup>th</sup> is fine with me.

Councilwoman Patterson: I can do the 14<sup>th</sup>.

Seth Thompson: To be clear, Council doesn't want... That doesn't give time for newspaper notice and that sort of thing. This isn't our normal process, but I just want to make sure that people weren't carrying that expectation. So we'll do it as if it was a regular workshop; we're going to put the agenda on the website, seven days in advance.

Mayor Newlands: Right.

Seth Thompson: Alright, great.

Councilwoman Jones: May I ask, as a follow up to talking about a Council Meeting like that; can Mr. Hickey's updated recommendation be considered something for public view or is it such a working document, that well it is always going to be a working document; but is it something the public can review before they get here for the tax appeal?

Seth Thompson: It is. It's not proprietary information. If anything, it's part of the record, that if you were to vote in favor or against it, that would be part of the record, that if a Court were reviewing why you did what you did on a tax appeal, it would be in that.

Mayor Newlands: I'm not sure if he's going to have anything ready in 3 or 4 days. We have to get that out seven days ahead of time. It's only ten days from now, the 14<sup>th</sup> and I don't think he's going to have that stuff ready. You may need to go back and forth with him a few times to make sure it's in understandable format.

Win Abbott: I agree. That may be ambitious, but I'm willing to give it a try.

Mayor Newlands: Okay. What's the next date you have available, just in case?

Win Abbott: Monday the 18<sup>th</sup>?

Mayor Newlands: When do we have our Personnel Committee? The 13<sup>th</sup>?

Councilwoman Jones: The 12<sup>th</sup>.

Mayor Newlands: The 12<sup>th</sup>, okay. So Monday the 18<sup>th</sup>? Okay. Why don't we just shoot for Monday the 18<sup>th</sup> anyway?

Win Abbott: Okay.

Mayor Newlands: Is everybody okay with that? That way you have a little bit more time; you're under less pressure to get that information from Mr. Hickey. Okay, so we're going to move this to the 18<sup>th</sup>.

- g) An ordinance to amend Chapter 188 – Subdivision Streets, completion of streets and sidewalks

Seth Thompson: Okay, we did discuss this several months ago. I hope the revised draft in front... I went back and looked at the minutes, so hopefully this reflects Council's suggestions at the last meeting. I think the changes were 80%, as opposed to 85%; and then also the effective date, the way it's laid out, the Ordinance goes into effect immediately and applies to any sub-division that hasn't reached that 80% threshold in terms of sale or transfer or build. That's regardless of whether or not five years have passed since the sub-divisions final approval. So it wouldn't apply to anything that's already crossed that threshold, since that would instantly require the developer to finish those streets and the thinking is, that if you're doing it to people... If you're giving the developer advance notice that they're coming up on that threshold, that's probably a fairer balance.

Mayor Newlands: So this has no effect on Cannery Village?

Seth Thompson: I don't think they're at the 80% threshold, so it would have...

Mayor Newlands: The five year's doesn't.

Seth Thompson: The way the effective date's written, it's regardless of whether the five year approval; whether that's passed or not, so Cannery Village would fall under this.

Mayor Newlands: Fine.

Seth Thompson: My understanding, because I think somebody said it was about what 75-78% build out?

Mayor Newlands: Somewhere around that.

Councilwoman Jones: Mr. Thompson, does this version take into account Mr. Collier's very early comments; his concerns that dedicated roads that are continuing to be used as construction roads, are going to cause the Town of Milton repair... Or could, potentially, cause the Town of Milton repair. Is this, as written, taking that into consideration?

Seth Thompson: It's a shall, so again, once they hit that 80%... The way that factors in is the 80%. In other words, they are mostly done, so hopefully there's going to be fairly limited traffic going across them at that point.

Councilwoman Jones: You use that word hopefully and I don't think that addresses Mr. Collier's comments.

Seth Thompson: Now we did change it, where I put in the bottom that for good cause shown, Mayor and Council could approve something else. Do you see the very last line, so the default is they need to do it at 80%, unless they come in and make an application and show good cause, and seemingly the construction traffic issue was really what that was aimed to do. Again, there is a mechanism for addressing situations where there



might; even though they're 80% built, there might still be a lot of truck traffic going over those finished roads.

Mayor Newlands: And this requires them to do it at a particular time. They could voluntarily do it earlier. My development was done at 50%. Heritage Creek they're going to do that one fairly soon and that's going to be Phase 1 or Phase 2, I forget which one it's going to be; 2A? 2A, thank you. They have the luxury of being able to put a construction road in and the other developments don't. So this is only a requirement that we require them to do it at a particular time. They can do it earlier and have a lot of truck traffic going in. I have 100 vacant lots in my neighborhood that are sitting there, waiting to get developed and we've got a lot of truck traffic going in there now.

Councilwoman Jones: And they're going to drive over the roads that we now take care of?

Mayor Newlands: Yes.

Seth Thompson: You could put in there a provision that they're not allowed to do it prior to some threshold. I guess you could do it that way.

Councilwoman Jones: That doesn't always benefit the people that live there.

Seth Thompson: It doesn't, especially if it takes a long time to build, that's the problem.

Mayor Newlands: This is also to prevent things like Shipbuilder's from happening, where we're footing the bill for part of that and using rent money for part of that to pave three streets out there. You sort of catch these guys when they're active. So this is the final reading on this. We should...

Councilwoman Jones: I have a question then. The only thing I can refer to is something that just happened recently at Heritage Creek. If the developer comes back and requests a modification to the Master Plan, and this is based on five year's have passed since the final approval for a sub-division or the phase, whichever occurs first; how would an appeal or a request like that affect this timetable?

Seth Thompson: Well the Master Plan's a zoning issue. You guys have that in your Zoning Ordinance, so it wouldn't affect this in the sense that the sub-division is being... the timing is based on that sub-division approval, so that's what starts the clock, or the phase itself; we obviously have a lot of developers that just build by phases.

Mayor Newlands: So this would only pertain to the phases that are under construction?

Seth Thompson: Well the way it works is if 80% of the lots in any given phase are sold or built, they need to pave that phase.

Councilman Booros: Mr. Thompson, in the case of Wagamon's West Shores, they paved it at 50%. It's been sold a couple of times now, Schell Brothers has lots in there, whoever they are; does that builder that's building on that one particular lot have a responsibility to the Town if they screw up one of our roads after it's been paved?

Seth Thompson: That would exist independent of this.

Councilman Booros: That's what I'm saying. She was worried about if we pave it at 80% and then some vacant lot in there the guy hires a builder to come in here and build my house on a lot they bought six years ago and he screws up our curbs, we can hold him responsible for those curbs.

Mayor Newlands: Correct.

Seth Thompson: Correct. This isn't changing that at all. That exists now.

Councilman Booros: I think there's more damage done to cars in Cannery Village right now, based on the fact that that crap's sticking up out of the ground, then they could ever do to a road with a dump truck, I'm sorry.

Mayor Newlands: That's true.

Councilwoman Jones: One question I have, it's an internal question I believe. In passing a new Ordinance that has a requirement of an 80% lot completion or five years; what kind of internal mechanism do we have as the Town of Milton to see that this is complied with, because that's also important when you're naming a new Ordinance and the how. My question is, how do we then keep track of this; because I asked a question awhile ago whether or not permits, things, were reviewed once a year. Who is responsible and how will that be done within our own town? Can you say?

Mayor Newlands: Mostly, Mr. Davis, as far as this goes, okay, because it's on a development level; but as far as permits go, the Code Enforcer reviews permits every so many months for... what was it, three months...

Councilwoman Jones: In particular this Ordinance would require the review of the Project Coordinator.

Mayor Newlands: Yes, permits are done separately and that's done by the Code Enforcer.

Councilwoman Jones: And we have a leverage, it says it shall be, do we have the disciplinary side of this in place, as to what it costs if you do not comply?

Seth Thompson: Right. Basically your enforcement and your sub-division Ordinance is going to cover this, because we're putting it in the sub-division Ordinance and I have it opened in front of me and we're supposed to be looking; or the town should be looking to see if they've started substantial construction within a year, because the way your sub-division Ordinance is written, things expire, so arguably there should be some review of that timing anyway.

Councilwoman Jones: Just for information, what is the penalty for not complying with something like this in the sub-division Ordinance?

Seth Thompson: Let's take a look. On a very basic level, you're obviously not accepting their streets, if they're not done, but that's part of the final action. The bond should be in place, then you could go after the bond; because they wouldn't be in compliance with the sub-division Ordinance.

Councilwoman Jones: Okay, but putting our cards on the table, the property that we're talking about, having the most trouble with, we don't have a bond; so the issue is, again, we don't have to accept their streets; but is there any penalty for them not... Here it says, they're going to put a final layer of black top and sidewalks.

Mayor Newlands: What about the clean hands act that we have?

Seth Thompson: Right. That would be in place too.

Mayor Newlands: We won't give them any new permits, any new building permits, so they won't be able to build any new houses; that's what the clean hands act that we did about two years ago.

Seth Thompson: They don't get any Certificates of Occupancy.

Councilwoman Jones: So we could look at that portion of this separate from this?

Mayor Newlands: What do you mean separate?

Councilwoman Jones: Well we don't give them permits to develop further. That's fine for the developer, but it doesn't help the homeowner's that are sitting there with the roads not finished; so you have a developer who is at 80% and he says it's not worth this, I don't need anymore permits and we don't have a bond. It's still is not speaking to the needs of the resident's in the community; that's what concerns me. That's the only thing that concerns me in a particular community where we already know there is no bond; not giving further permits hardly seems commensurate with not getting the job done.

Seth Thompson: Meaning they could not sell another house in there, because they're not going to get a Certificate of Occupancy.

Councilman Booros: So?

Councilwoman Jones: So.

Councilwoman Patterson: So what?

Councilwoman Jones: They may walk away from that.

Seth Thompson: I can't turn back time and deal with this...

Councilwoman Jones: And I'm trying to give you the worst case scenarios, I agree, but we do have a large community that's already going to face this.

Seth Thompson: If you buy their argument, they're not under this Ordinance anyway.

Councilwoman Jones: I'm just looking, I guess for greater leverage against a developer that does not comply.

Seth Thompson: Understood. I think it's important to view this as a mechanism to avoid a repeat, basically, and we'll have to deal with the current situation on an individual basis, but this obviously is going to apply to everything going forward. It's basically designed so that we don't have this situation again.

Mayor Newlands: We couldn't take them to Court over this, could we; with the current Ordinances that we have?

Seth Thompson: With the current Ordinance? Arguably, they were approved under the old sub-division Ordinances, so that process would apply.

Mayor Newlands: Okay.

Seth Thompson: I need to go back and see if there's any validity to this notion that being an LPD Master Plan takes the place of being an approved sub-division to answer that more specifically.

Mayor Newlands: Actually, can you explain that to Council, because you didn't send an email to that effect to everybody.

Seth Thompson: Right. I got the letter last week.

Mayor Newlands: Can you explain what happened?

Seth Thompson: Basically, the issue in their mind is that, again, they don't consider themselves a sub-division; rather they're a Master Plan LPD.

Mayor Newlands: Go back. You sent the demand letter to them asking for a bond and their response back to you was that we're not a sub-division, we're an development and they're trying to play the word game that they're not subject to a bond.

Seth Thompson: Correct.

Councilwoman Jones: Then, I guess my question, and let me see if I can ask this correctly. You're working with them over here for definition and determination. Does it make any sense at all to see where that information takes you before you pass this Ordinance? Could the information you're working on, with that particular developer right now, aid you in tightening this up, changing it in any way, after that argument?

Seth Thompson: I think that's a very unique situation that shouldn't have occurred, so I don't see that as being a good source of revisions. I don't want to pre-judge where everything goes with that, but that would surprise me. This is designed so that the developer knows when they need to do that final coating. I think that's of benefit to all the developers coming forward, and really to the Town and to the residents. They know when they're road are going to get paved.

Councilwoman Jones: That's the word, going forward.

Seth Thompson: Right.

Councilman Booros: Can we go back in the record and check to see if they did not get a sub-division approval by Planning and Zoning, because I've been told they did.

Seth Thompson: Right. Right. We should be able to... and I've looked through those once and it looks like I'm going to have to go back through my file, but again...

Councilman Booros: I'll try to get you some dates.

Seth Thompson: Okay. I do want to check and I don't know if the Town keeps its legislative history.

Councilman Booros: I have no idea.

Seth Thompson: Okay, because I can already see what the next issue is going to be; well if that was gratuitous, we didn't need to do that, because we were an LPD.

Councilman Booros: So this doesn't apply to LPD's at all? Or any phase of an LPD?

Seth Thompson: My gut reaction is that the Town probably did not set up the LPD to take the place...

Councilman Booros: I'm talking about this, right here. This Ordinance...

Seth Thompson: That should apply to everything.

Councilman Booros: Does it say Large Parcel Development in it, or does it just say sub-division, which they contend that they are not?

Seth Thompson: Right. It's in the sub-division Ordinance. And that actually might be something...

Councilman Booros: Why would we apply this to a Large Parcel Development or any portion thereof, that's 80% complete?

Seth Thompson: And I think we do.

Mayor Newlands: Yes, we would. We would. We're considering a Large Parcel Development a sub-division.

Seth Thompson: Right. That's right, because it's...

Councilman Booros: But we haven't written that in here, right?

Seth Thompson: No, it's in the sub-division... Right. Correct. We're adding... There isn't any exclusion.

Councilman Booros: Okay.

Mayor Newlands: Can this get any stronger with penalties, or does it need penalties, or not need penalties? I think that's what Councilwoman Jones is getting to.

Seth Thompson: If you want, I can put in there that they'll pull on the performance guaranty, do you know what I mean?

Mayor Newlands: Yes.

Seth Thompson: We can make that express in there, if that's what you want?

Councilwoman Jones: That if they are not in compliance, we would be permitted to use the performance bond?

Mayor Newlands: It's implied.

Seth Thompson: I think it's implicit, but I can put it in express language.

Councilman Booros: Can we take the land, the other 20% of unbuilt lots?

Mayor Newlands: Okay, so we're going to send this back and you're going to take a further look at it.

14. New Business – Discussion and possible vote on the following items:

- a) Resolution to establish a date for a water referendum – Resolution # 2013-06

Mayor Newlands: Do we have paperwork?

Win Abbott: Mr. Mayor, I'm going to let the Solicitor take the bulk of this, however,

there was a question that came up during the course of our workshops that I have only this afternoon that I'm prepared to address and I believe we have our engineer here, in case some other questions come up. The main question is, I think we all have come to an agreement on the improvements that need to be made and we're at a point where we have to set a date for the Referendum, however, the question that was out there during the workshops and a question that we were prepared to answer last year, when we were at this point, is how much more would the average customer have to pay in order to meet the terms? I went through and took a look at this a little bit closer. At first blush, the repayment, per customer, I think would have exceeded the threshold of pain for our average customer and I went back and looked a little bit more closely. The Shipbuilder's foundation repairs, which were added to our application at my suggestion; I think we have enough in our accounts to cover those repairs with our regular savings that we have, between the General Fund and the Water Impact Fees that are in that proprietary fund account. And I went through and I did a scenario whereby we added together the costs of the Well No. 5 improvements, the water main loop, and the control system upgrades, adding a 15% contingency, that is in case the cost of materials runs high during that particular building season, or we run into some unexpected circumstances, our estimated engineering expenses, which are in line with what the Office of Drinking Water has indicated is the industry standard and a value of \$1,596,085 under a scenario where there is no principal forgiveness and we understand that there are some dollars out there; we're just not certain how much it would be. Our loan repayment at 1.5% interest for twenty years would be \$92,965. Now in the last year, our former engineer had put forth a scenario and once again we don't know what the exact cost is going to be until construction is done and the loan finally closes, but the rate fees, various increases that will be necessary, in order to pay for the system improvements, were broken out into areas that affected impact fees, our standard, quarterly availability fee and a usage fee. What I did was take some estimates. We have an estimate and we're trending at 25 new units per year being added to the Town. Once again, this is for Council to decide and we won't know what the end cost is, but an increase of \$500 per unit, for the impact fee, would raise \$12,500 per year, at our current rate of construction. If the availability fee were raised by \$7 per quarter, we have approximately 1,280 customers. Of course those customers are growing every year and this loan is going to be for twenty years, so I did not project out how many more customers, over time, just the first year that would raise \$35,840 in the first year. What remains then is a usage fee increase, per 1,000 gallons, which is equivalent to the amount necessary to pay the balance of our annual payments. I've done a calculation that we have a typical use of 44,625 gallons per household, for an average household. Some households use a lot more water and some use less; but nonetheless if you divide that by 65,000,000 gallons, which was our annual usage last year, you are able to come up with a rate at which the 1,000 gallons would increase. Under this scenario it would be \$0.89 more per 1,000 gallons, or an average of \$10.35 per household, per quarter. On the reverse side of the page that I provided to you, there are some more favorable what ifs. Once again, we won't know until the construction is done, however, if because of the competition in the marketplace, that our construction costs are less and we need less of that contingency money, there is the possibility that our total construction costs will be as low as \$1,206,850; basically that's removing the 15% contingency that was built into that. This will have an effect of reducing our engineering costs, because that is based upon a percentage of that to make for total

construction costs under a more favorable scenario of \$1,387,875. We understand that there is principal forgiveness out there; last year, at this time, the State was willing to offer 30% principal forgiveness; they're making no promises of what may be available, however, just for argument sake, I put 5% principal forgiveness into a scenario where things are more favorable. Our adjusted loan total, with a \$69,395; that's 5% principal forgiveness put in there; our loan total would be \$1,318,480; under the same rate of interest and term, that would be \$76,796 per year. If you use the same increase for impact fees and standard quarterly availability charges, that would be minus \$48,340; for a net annual payment that needs to come from an increase rate for usage of \$28,456. The same households would end up seeing an increase of \$0.44 per 1,000 gallons of usage; or \$5.10 increase, per quarter, for their usage. So once again, we're not sure what our total construction costs will be, but if we take out the foundation repairs and we run the numbers, this is a rate change scenario that could pay for the loan, at least in the first year and then, of course, the numbers get better each year as we add more users and the Town Council has the opportunity to make changes to the rate structure every year through the budget process, adopting that new Fee Schedule on October 1<sup>st</sup> of each year.

Mayor Newlands: Mr. Abbott, we do have a positive cash flow in the Water Department every year by \$70,000 to \$90,000.

Win Abbott: Yes, Sir. We do. Yes we do. So certainly the Council has the option of diminishing these. I just put together a rate structure that would simply address the new found debt and it's up to the Council, whether or not they want to incorporate more of our dollars from our cash flow that we currently have into that; or use that for future capital system improvements. I can say I believe that we're the next Town that's on the list to get the technical assistance grant where we're going to have someone from the Delaware Rural Water come in and create the financial model where the value of every single hydrant and every single pipe goes into a model that was developed by the Environmental Protection Agency and tell us what our rates should be. Right now we know that, yes, the way that we're managing the system we have positive cash flow. We are adding to our Reserves.

Mayor Newlands: And Reserves, we have somewhere in the \$700,000 range, I think?

Win Abbott: Yes, Sir. Our utilities checking account, last year on January 31<sup>st</sup> had \$439,141 and the impact fee account \$257,303; for a total of \$696,444. There were changes in account balances as the months go by, depending upon expenses. On January 31<sup>st</sup> of 2013, the utilities fund checking account had \$509,816 and the water impact fee had \$282,426; for a total Reserves in this proprietary fund of \$792,242.

Mayor Newlands: So we increased \$100,000 in the last twelve months.

Win Abbott: Correct.

Mayor Newlands: Okay.

Win Abbott: Once again, we won't know what the costs are until it's time and we revisit these fees each October. There will probably be a time when we come there, we'll know closely; but this scenario that I put together was an answer to questions at the workshops and this is how you could pay for the loans, under a straight out scenario, or something that's a little bit more favorable, but it doesn't take any money out of the bank. It just addresses repayment through changes in the rate structure.

Mayor Newlands: Okay.

Win Abbott: Now, Solicitor, it's up to you to talk about the Resolution.

Mayor Newlands: Before you go anywhere, we're not going to approve any rate

increases tonight.

Win Abbott: No, Sir, that's in October, but this was a good faith effort to answer questions that came up during the course of the workshops.

Mayor Newlands: I just want everybody to understand that.

Win Abbott: Sure.

Seth Thompson: Okay, this is the second Resolution and basically, under your Charter, it's required after a Public Hearing that another Resolution be passed scheduling the date of the special Referendum and it can't be less than 30 days and can't be more than 60 days, after your Public Hearing for the special Referendum. By passing the Resolution to schedule the Referendum, that's Council's approval to go forward. It's obviously dependent on whether or not the Referendum passes. The one thing to be clear, I know that our Charter says that it's property owners who vote, residents also vote. Our Charter is just old in that regard. The U.S. Supreme Court has said you can't make property a requirement for a special election like this.

Mayor Newlands: So landlord's and tenants get to vote; second homeowner's get to vote?

Seth Thompson: Correct.

Mayor Newlands: Okay. Fine. And we have a suggested date Mr. Abbott of April 6<sup>th</sup>, was it?

Win Abbott: I would suggest that we push it back, by at least a week, until April 13<sup>th</sup>; April 20<sup>th</sup> is fine to as the Solicitor has indicated, we have 30 to 60 days.

Seth Thompson: I suggest April 13<sup>th</sup> and it runs from 8:00 a.m. to 6:00 p.m.

Mayor Newlands: Right. Do we have an actual Resolution right now? I don't have it in my paperwork.

Councilwoman Jones: I don't either.

Seth Thompson: No, I didn't bring it, but I can forward that tomorrow morning.

Mayor Newlands: It's boiler plate, except for the date. Right?

Seth Thompson: That's exactly right.

Mayor Newlands: Okay. Alright, so we're looking at April 13<sup>th</sup> as a Referendum date, so we need a motion and an approval for April 13<sup>th</sup>. It's a Saturday, from 8:00 a.m. to 6:00 p.m. for the Referendum date and it's the one subject only; it's the improvements, not the water tower.

Seth Thompson: Mr. Abbott, that gives you enough time with the newspapers, right?

Win Abbott: That's plenty of time.

Mayor Newlands: What do you need, 15 days with the newspapers?

Seth Thompson: Yes.

Councilwoman Jones: A question for you, Mr. Abbott. On the presentation the other night we are available as early as the 20<sup>th</sup> of March to make our application to the State Revolving Fund and this Resolution is to move us forward for them to understand that we are moving forward towards a Referendum. How will you know by the application date on the 20<sup>th</sup> of March, whether or not Council... Are we going to vote on whether or not to include the tower repairs, this evening?

Mayor Newlands: Oh, I'm sorry.

Councilwoman Jones: I guess I don't understand what will you exactly the figure to apply for by the 20<sup>th</sup> of March?

Win Abbott: The Council can certainly convene another meeting in order to determine the language that they want to have on the Referendum and I would encourage that, just

so that there's no misunderstanding; we're all on the same page. There was some question last year when we did this; exactly how was it going to appear? I would welcome the opportunity to have everybody on the same page, when it came to that.

Councilwoman Jones: Is that something that we should include, since we've decided to meet on the 18<sup>th</sup>? Is that enough time?

Mayor Newlands: Hold on, March 20<sup>th</sup> is the earliest we can put the application in. The deadline's not until August, so we have plenty of time to tweak and do the math again.

Win Abbott: This is correct. You have time to change the final application for the loan. This is correct.

Mayor Newlands: Yes, the earliest is the 20<sup>th</sup> of March, the latest is August, so we have plenty of time to do that.

Councilwoman Jones: Is there any benefit to the earlier, a sense that the earlier you do it, the better it is? Or no?

Win Abbott: The only benefit is perceived and that is this; they want to know that the Town is truly ready to proceed. Then, of course, there are larger projects and they get the City of Wilmington and it has... I don't know whether our engineer stepped out, but nonetheless they're much larger projects.

Councilwoman Jones: He's here.

Win Abbott: There we are. Mr. McCabe did you want to address that question?

Mayor Newlands: I think the biggest issue is getting the Referendum passed.

Councilwoman Jones: Oh sure. I just want to know...

Mayor Newlands: That's a big signal to the Office of Drinking Water that we're ready.

Steve McCabe, Pennoni Associates: Good evening. The project priority list has a number of municipalities within the State and the way the program works is they look for the shovel ready projects and I wouldn't say it's a first come, first serve; but the applications that are most ready in the past have been given the most consideration.

Councilwoman Jones: So I just want to understand that the only item left for Council to decide is whether or not to agree to the scenario of reducing the request for money, by using the proprietary funds and reducing it by this much money? And so the faster we do that, is that one of the last links in making the application on the 20<sup>th</sup> of March; deciding on that figure?

Win Abbott: Yes, that is a consideration, but I don't want to diminish the value of us all agreeing what the language should be.

Councilwoman Jones: Understand. Understand.

Win Abbott: And the language would be inclusive of the foundation repairs, or not. In the big picture, that \$100,000 is not going to make a huge difference, but I was just looking at ways to diminish this and when I looked at our bank balances, I thought this is something that we can do. It wasn't part of the regular pre-application anyway.

Councilman Booros: Did you also not say that we could borrow and what we didn't use, we didn't use? Right?

Win Abbott: That's correct.

Councilman Booros: So if you keep the application the way it is and if we choose to use money we already have in house to fix the foundation, then we just don't use the State's money.

Win Abbott: I wouldn't necessarily go that far, because the application would specify what our intent was and we don't want to have any duplicity in this, by saying we're going to do this; with having no intent of following through; so we want to be clear and



honest our intentions with what we choose to do or not to do, with the application that we're submitting.

Councilman Booros: It sounded good.

Mayor Newlands: Okay, so we need a motion to set a date for a Referendum and April 13<sup>th</sup> has been the suggested date.

Councilman Booros: I'll make the motion to set a date for a Referendum for April 13<sup>th</sup> from 8:00 a.m. to 6:00 p.m. for Water System Improvements as presented at the two Public Hearings.

Councilwoman Patterson: I second.

Mayor Newlands: We have a motion and a second to set a Referendum date of April 13<sup>th</sup> for a Referendum for the Water System Improvements from 8:00 a.m. to 6:00 p.m., based on the presentations to the public. Further discussion?

Councilwoman Jones: Just quickly. You're going to set a Referendum for the 13<sup>th</sup>. Mr. Abbott is talking about making sure that we are absolutely clear to the language that is being done in that Referendum. Between now, the 4<sup>th</sup> of March and the 13<sup>th</sup>, so that the public has plenty of time to understand, when will we meet to define the language in the Referendum? Is that your point, Mr. Abbott?

Win Abbott: Yes.

Mayor Newlands: We can add that to the 18<sup>th</sup>.

Councilwoman Jones: That's my only thing about scheduling this Referendum, which I have no problem with.

Mayor Newlands: I didn't realize what you were talking about before. That's fine. We can do it on the 18<sup>th</sup>.

Councilwoman Jones: Okay. That's all for me.

Mayor Newlands: We'll do a roll call:

Councilman Booros	Yes
Vice Mayor Betts	Yes
Councilman Lester	Yes
Councilwoman Jones	Yes
Councilwoman Patterson	Yes
Mayor Newlands	Yes

Mayor Newlands: Motion is carried.

- b) Subdivision application from Truitt Jefferson for the partitioning of the parcel located at 526 Union Street further identified by Sussex County Tax Map and Parcel # 2-35-14.15-24.00.

Truitt Jefferson: I'm here to get the Council's approval on dividing lot 526 on Union Street into two lots. They would each one have about 50,000 sq. ft. of land on them. One would face on Union Street and one would face on Betts Street and they would be residential and that's about it.

Mayor Newlands: Betts Street or Waples?

Robin Davis: It would probably be Waples, more likely it would have a Waples address.

Mayor Newlands: Yes.

Robin Davis: Because Betts would basically end with the Clarence Jones' property.

Mayor Newlands: Are we approving the smaller than normal size lot, or is that done already?

Robin Davis: No, that was done by the Board of Adjustments.

Mayor Newlands: So we don't have to get involved with that at all?

Robin Davis: No, that had to be done first.

Mayor Newlands: We're just approving the partitioning?

Robin Davis: Yes and there is actually water that runs along; there's a 4" water main that runs from Mulberry down Betts Street, turns on Waples Place and connects to Orchard Street, so there is a 4" water main; there's sewer manhole at the end of Betts Street, but that's something the Town does not get involved in since we do not own the sewer anymore.

Mayor Newlands: We have a minimum lot size of 75' wide?

Robin Davis: The lot width in R-1 has to be 75' wide; it has to be 100' deep; and a minimum of 10,000 sq. ft. The two lots did meet both of those requirements, the only one it didn't meet was the depth and that's why the Board of Adjustments had to approve the variance from 100' to 97.56'. The total frontage of proposed lot number two looks to be 160'.

Mayor Newlands: Okay, so this is going to be a broadside piece of property.

Robin Davis: Correct.

Councilwoman Jones: And Mr. Davis, this lot number two will have a Waples Street address?

Robin Davis: Yes, it looks like it will be a Waples Place, I would say, since the frontage is more on Waples Place than Betts.

Councilwoman Jones: Is it Waples Place or Waples Street? Because I have both.

Robin Davis: Actually, I think in the computer it's Waples Place.

Councilwoman Jones: Okay.

Mayor Newlands: No, according to County maps, it's Street.

Councilwoman Jones: Street.

Robin Davis: I think the County map is wrong.

Mayor Newlands: Okay.

Robin Davis: The other property adjacent to the proposed lot, that's Shelley Ann Brown, has I think a 106 Waples Place address.

Mayor Newlands: Is this indicating it's 44.82' frontage on Waples?

Robin Davis: Correct. Yes.

Mayor Newlands: And the positioning of house, direction of the house, that's all Planning and Zoning, right?

Robin Davis: That would be when they do a building permit.

Mayor Newlands: Okay.

Councilwoman Jones: Mr. Davis, from your best estimate, if these lots were divided, can they meet the setbacks, even if they don't meet the requirement of 100'?

Robin Davis: I think Mr. Jefferson by doing this, is basically saying he can put a house on that lot.

Truitt Jefferson: They will meet the requirements, yes. The one on Union Street; there was a house there anyway; that will just fit right in there. The back lot that goes to Waples Street, there's plenty of room back there to keep the setback.

Mayor Newlands: So lot number one is already built on?

Truitt Jefferson: No, there was a house there, but I tore it down. I cleaned that up and

now I want to put something back there, if I can.

Mayor Newlands: The neighbors have all been notified of this?

Robin Davis: They were for the Board of Adjustments meeting, they do not have to be notified for petitioning.

Mayor Newlands: Okay.

Seth Thompson: Just for Council's benefit, the way that this is governed is that the standard is really within the definition, so your definition of partitioning says that it would be approved if it was not adversely affecting the development or the remainder of the parcel or adjoining property, so again, you're focusing on the effect on the neighbors.

Councilwoman Patterson: I make a motion to approve sub-division application from Truitt Jefferson for the partitioning of the parcel located at 526 Union Street further identified by Sussex County Tax Map and Parcel # 2-35-14.15-24.00.

Councilman Booros: I second that motion.

Mayor Newlands: Alright, we have a motion and a second to approve the partitioning of Truitt Jefferson's parcel located at 526 Union Street further identified by Sussex County Tax Map and Parcel # 2-35-14.15-24.00. Let's do a roll call:

Councilman Lester	Yes
Councilwoman Jones	Yes
Councilwoman Patterson	Yes
Councilman Booros	Yes
Vice Mayor Betts	Yes
Mayor Newlands	Yes

Mayor Newlands: Motion is carried.

c) Updates to Personnel Policies

Mayor Newlands: Mr. Abbott do you want to go through?

Win Abbott: Mr. Mayor, the current Employee Handbook was last revised in 2005. In 2009 through 2010 period, there were a number of proposed changes, however, they were not adopted. Last year during the budget process I had lobbied the Council for the inclusion of dollars in the budget for the purpose of retaining a consultant that would help us to identify deficiencies in our handbook, particularly those that would put us at risk for a lawsuit for employment practices liabilities. My request is that we update the Employee Handbook, consistent with the recommendations by our consultant. These updates will have the effect of putting in references that are current with State and Federal law, as opposed to not having them in there. By way of example, you'll find that our Equal Employment Opportunity Clause, within the Employee Handbook, does not reference every protected class that is current in State law, genetic information is one class of employee. You cannot discriminate based upon genetic information, however it can't be found in the current Employee Handbook. There are a number of places that small updates could be done by simply including the proper references to current law.

Mayor Newlands: Even though we have a new Employee Handbook, it's still being revised and looked at, so that's going to be month's away before that's published. I think this is just a stop gap to cover us.

Win Abbott: Yes, Sir. It's the first step. The consultant brought the Table that you have in your packets to us for review in December, the Personnel Committee met and discussed

it in January and it was the recommendation of the Personnel Committee to bring this bundle of revisions, rather than a wholesale revision to the book; this bundle of minor revisions to the Council, for their approval.

Mayor Newlands: Has everyone had a chance to go through all these revisions? Any questions, comments?

Win Abbott: You'll see a Resolution 2013-05, there was a typo in the original, before you. The point of having a Resolution is just to be sure that the entire Council is behind these revisions to the Employee Handbook.

Mayor Newlands: Let's just go through and name the sections. We have Code of Conduct, Annual Leave, Health Insurance, Compassionate Leave, Holidays, Attendance, Punctuality, Inclement Weather, Workplace Safety. These are all the areas that we are changing. Again, this is just to tighten up our handbook, so that we're following the law more closely.

Councilman Booros: I make a motion that we approve Resolution 2013-05 to amend the Employee Handbook and related personnel policies, as provided.

Vice Mayor Betts: I will second that motion.

Mayor Newlands: We have a motion and second to approve Resolution 2013-05 to amend the Employee Handbook and related personnel policies. Any questions, comments? We'll take a roll call:

Councilman Booros	Yes
Vice Mayor Betts	Yes
Councilman Lester	Yes
Councilwoman Jones	Yes
Councilwoman Patterson	Yes
Mayor Newlands	Yes

Mayor Newlands: Motion is carried.

- e) Entertain Tidewater's offer to purchase the sewer treatment plant property and adjacent property for a small power plant

Mayor Newlands: There's been two attempts to renegotiate the contract with Tidewater, to try and get some more money out of them, because they're only paying us \$1,500 per household that's built and they only pay us when they get paid; so they're getting \$8,000 a household and they give us \$1,500 of it. Seth has tried last year to renegotiate and they refused. I tried and made a second attempt in January and they do not want to renegotiate anything. They want to keep it at the status quo. It was thought of back in 2007 when the contract was written, there were quite a number of homes being built, so the income was significant at that point; with the drop off and only having 25 homes built per year, we get \$30,000 a year from them and that's it. So the result of the meeting we had was the suggestion that they purchase the property from us, so that would give us a little bit more income. They have no intention of leaving the property; so they said that as long as they could stay there and discharge into the Broadkill, they will add to that plant and they're not looking to move and build a new plant. Just so you know, the property is a total of 6.31 acres and only 2 to 3 acres are usable, because part of it is in the Broadkill actually. You'll find there's two plots of land. One with the left hand side; it's this piece here. The left hand side has the sewerage plant on it, the right hand side,

which Dustan tells me is always wet, is where they would like to put a Geo-Gas Power Plant. The indented piece on the left hand side is where we have a little street that goes down the back; we would have to carve out property for us for Well No. 5. They've asked to be excluded from any...

Councilman Booros: Do you want me to read that line?

Mayor Newlands: Sure. Go ahead.

Councilman Booros: "TESI will have permission to expand/improve the property in a manner consistent with wastewater utility operations without further approvals being required from the Town."

Mayor Newlands: And that's why I had Robin come up with this, with our rules to say that...

Councilman Booros: I have a question. Who owns all this land in yellow? Isn't that M&T Bank's land?

Mayor Newlands: No, actually two of those lots are ours. The one along the water is ours. It's L-shaped. It goes along the water and then comes back after the lift station.

Councilman Booros: So they're asking to purchase that piece of land also?

Mayor Newlands: No.

Councilman Booros: Why is it highlighted? What am I missing?

Mayor Newlands: Oh, you may have just gotten the one copy that was highlighted.

Councilwoman Jones: No, I did and I was confused about the property, because... And I wanted to make sure here, at the foot of Walnut and Front we're talking about this parcel, but I have this tiny little highlighted alleyway.

Mayor Newlands: Yes, that's a road. That's just showing you the extra properties that Town owns. That's a small...

Councilwoman Jones: That's not what they want?

Mayor Newlands: No.

Councilwoman Jones: They want this?

Mayor Newlands: Right, where it says Tidewater.

Councilwoman Jones: And they want..

Mayor Newlands: Just that. To the right of that.

Robin Davis: To the right of that.

Councilwoman Jones: Oh.

Robin Davis: That's all one parcel.

Councilwoman Jones: Oh, the flood plain, where the geese live. Gotcha.

Mayor Newlands: It's all one property.

Councilman Booros: I was confused on that. I was looking at the yellow highlighted places, thinking that's what they were wanting.

Mayor Newlands: I'm sorry. No. No. They want the bigger piece, the 6.1 acres.

Councilwoman Jones: It's always under water.

Mayor Newlands: Because of that one request of theirs, I had Robin go out and find out all the requirements for...

Councilman Booros: Can I ask a question? Is this also because of the request from the State that they stop dumping so many nutrients into the water from all the stuff they're trucking in here in tanker trucks? Is that the deal here? They need to expand the plant? He stood in front of us in the library that night and said that the State has come down on them for the nutrients that they're putting into the water and that they're going to have to upgrade that plant and I asked the questions; is it because you're bringing Clean

Delaware in here, down here by the Fire Department and pumping it right out of the tanker trucks through there; they've now run the line from Holland Mills to the Town...

Mayor Newlands: That line is not active yet.

Councilman Booros: I know it's not active yet and the State has already told them they're dumping too many chemicals into the river and they've got to fix it. So do we let them expand on the waterfront to accommodate all this extra stuff that they're dragging into Town? I got a problem with that.

Councilwoman Jones: Well actually in Paragraph 2, if I may, they talk about the original Service Agreement, "had contemplated an easement to be executed for the plant's property. Now that time has passed, certain circumstances have changed, including the improved operational performance of the plant, the establishment of defined Broadkill River discharge parameters (which is what I think you're talking about with the nutrients), and the reduced rate of added wastewater volume to the plant. The outcome of these and related factors is the conclusion that TESI will require to maintain and expand/enhance it's site for an extended period of time." So yes, I would say probably State regulations are playing a part in the request, but I can't say that for sure.

Mayor Newlands: Yes, nothing was mentioned to me about it at all.

Councilman Booros: Well, he said it to our face in another meeting. Is this up for a vote tonight as to whether or not we're going to sell this piece of property to them? I don't understand.

Seth Thompson: Right. I wouldn't suggest that based on, among other things, based on... I don't know if anybody actually saw their appraisal.

Mayor Newlands: No, I haven't seen it yet.

Councilwoman Jones: \$200,000?

Seth Thompson: I know that that's what they're saying the appraisal said and I have no reason to question it's validity, but...

Councilman Booros: Just sell me the land for \$200,000.

Mayor Newlands: Councilman Booros I would not approve this until we have an actual contract to approve, after the lawyers had looked at it.

Councilman Booros: So this is just for informational purposes? Very nice.

Mayor Newlands: Yes, this is what got passed to us, from the request that got made and what Robin picked up for us, from the Code, which are the requirements they have to go through if they want to do any expansions.

Seth Thompson: And I think Mr. Davis is right that if they were to purchase the property and they would then expand or extend their use, it would be a non-conforming use at that time, so under our Code, they're not supposed to do that. If their intention was to not change anything, well if they purchase it, then seemingly it's a pre-existing non-conforming, but if the goal is for them to expand, you're right back into the situation where they would need to comply with the Code, because you can't expand or extend pre-existing non-conforming use to a certain degree.

Councilwoman Jones: But we are talking about Town lands, owned by the Town of Milton?

Mayor Newlands: Correct and we do not get any rent from them at all.

Councilwoman Jones: And I understand that from a contract point-of-view, but I would think when you go selling Town land, you better ask the townspeople, even if that's a required Referendum. That's along that riverfront and there's been years of comments about cleaning up that riverfront rather than adding more industry to it, so I wouldn't

cherish wanting to be one of seven votes to make that decision.

Mayor Newlands: I'm just passing along what was requested of me.

Councilwoman Jones: I understand. I understand that.

Mayor Newlands: I don't tell them to go away without bringing them before Council. Okay.

Councilman Booros: I say we send them a letter that says, thank you for your interest.

15. Executive Session

- a) Personnel matter in which the competency and abilities of an individual employee will be discussed

Mayor Newlands: Can we have a motion to go into Executive Session?

Councilwoman Patterson: I make a motion to go into Executive Session.

Councilwoman Jones: I second that motion.

Mayor Newlands: We have a motion and a second to go into Executive Session at 9:34 p.m.. All in favor say aye. Opposed. Motion is carried. Now.

Mayor Newlands: Can we get a motion to come out of Executive Session?

Councilwoman Patterson: I make a motion to come out of Executive Session.

Vice Mayor Betts: Second.

Mayor Newlands: We have a motion and a second to come out of Executive Session. All in favor say aye. Opposed. Motion is carried.

Councilwoman Jones: I make a motion to offer candidate A the position of Public Works Director, contingent upon Town Codes and the six month probationary period.

Councilwoman Patterson: I second.

Mayor Newlands: We have a motion and a second to offer candidate A the position of Public Works Director, contingent on the Town Codes and the six month probationary period. We'll do a roll call:

Councilwoman Jones	Yes
Councilwoman Patterson	Yes
Councilman Booros	Yes
Vice Mayor Betts	Yes
Mayor Newlands	Yes

Mayor Newlands: The motion is carried.

16. Adjournment

Mayor Newlands: Can we get a motion to adjourn?

Councilman Booros: I make a motion that we adjourn at 9:49 p.m.

Vice Mayor Betts: Second.

Mayor Newlands: We have a motion and second to adjourn. All in favor say aye. Opposed. Motion is carried. Thank you all. Good night.